



The Commonwealth of Massachusetts

**DEPARTMENT OF
TELECOMMUNICATIONS AND ENERGY**

November 1, 2004

D.T.E. 04-48

Petition of Fitchburg Gas and Electric Light Company for approval of tariffs to provide recovery for costs associated with its obligations to provide employees pension benefits and post-retirement benefits other than pensions.

APPEARANCES: Scott J. Mueller, Esq.
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260 Franklin Street
Boston, MA 02110
FOR: FITCHBURG GAS AND ELECTRIC LIGHT
COMPANY
Petitioner

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By: Alexander Cochis
Assistant Attorney General
Utilities Division
100 Cambridge Street
Boston, Massachusetts 02114
Intervenor

I. INTRODUCTION

On October 29, 2004, Fitchburg Gas and Electric Light Company (“Fitchburg” or “Company”) filed with the Department of Telecommunications and Energy (“Department”) two items (“Compliance Filing”): (1) compliance tariffs to establish for its gas and electric divisions a pension and post-retirement benefits other than pensions (“PBOP”) adjustment mechanism established in Fitchburg Gas and Electric Light Company, D.T.E. 04-48 (2004); and (2) the Company’s first annual pension and PBOP adjustment for effect November 1, 2004 for its gas division and January 1, 2005 for its electric division (“2005 Pension/PBOP Adjustment”).

II. DESCRIPTION OF PROPOSED TARIFFS AND 2005 PENSION/PBOP ADJUSTMENT

According to the Company, the compliance tariffs implement the Department’s directives in D.T.E. 04-48. The Company also explains that its 2005 Pension/PBOP Adjustment is computed for each of the Company’s division in accordance with the formula included in the tariffs and the directives of the Department set forth in D.T.E. 04-48.

III. ANALYSIS AND FINDINGS

The Department determines that further investigation is necessary into the Compliance Filing. The Department finds, however, that the tariffs filed by the Company on October 29, 2004, for effect and for service on and after November 1, 2004 for its gas division and January 1, 2005 for its electric division, are in compliance with D.T.E. 04-48. Therefore, the tariffs and the rate changes are allowed subject to further review and reconciliation pursuant to the Department’s investigation.

IV. ORDER

After due notice and consideration, it is

ORDERED: That the tariffs M.D.T.E. Nos. 119A (Gas Division) and 112A (Electric Division), filed with the Department on October 29, 2004 by Fitchburg Gas and Electric Light Company for effect November 1, 2004 for its gas division and January 1, 2005 for its electric division be and hereby are ALLOWED; and it is

FURTHER ORDERED: That the rate changes for Fitchburg Gas and Electric Light Company are APPROVED, subject to review and reconciliation pursuant to the Department's investigation; and it is

FURTHER ORDERED: That Fitchburg Gas and Electric Light Company shall comply with any and all other directives contained in this Order.

By Order of the Department,

/s/
Paul G. Afonso, Chairman

/s/
James Connelly, Commissioner

/s/
W. Robert Keating, Commissioner

/s/
Eugene J. Sullivan, Jr., Commissioner

/s/
Deirdre K. Manning, Commissioner